



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Salt Lake Field Office  
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[www.ut.blm.gov/saltlake\\_fo](http://www.ut.blm.gov/saltlake_fo)



IN REPLY REFER TO:

3809 U-87834 (UTW011)

AUG 25 2010

Mr. Rick Havenstrite  
Desert Hawk Gold Corporation  
1290 Holcomb Ave  
Reno, NV 89502

Dear Mr. Havenstrite:

On February 2, 2010, the Utah Division of Oil Gas and Mining (DOGM) received your document titled "Kiewit Project Notice of Intention to Commence Large Mining Operations" for proposed mining activities in the Gold Hill area in Tooele County, Utah. Your proposal was assigned permit number M/045/0078 by DOGM. The BLM Salt Lake Field Office received a copy on February 8, 2010. Your submittal, which is classified as a Plan of Operations by the BLM, was subsequently serialized as U-87834.

Your Plan of Operations describes mining operations consisting of three surface mines: The Clifton Shears and Yellow Hammer Mines located on private land, and the Kiewit Mine located on public land managed by the BLM. Material extracted from these three mines will be processed on a cyanide heap leach facility located in the vicinity of these three mines on private land.

For purposes of regulatory review and determining the completeness of your Plan of Operations, the BLM can only comment on the portion of your proposal involving public land – that is the proposed 40-acre Kiewit Pit and its' associated disturbance. However, please be aware that for purposes of National Environmental Policy Act (NEPA) review, the processing activities on private land may be considered "connected actions" to the Kiewit Mine and therefore will need to be included in any Environmental Analysis required under NEPA.

Before we can accept your Plan of Operations as complete, you must provide this office with the additional information required by 43 CFR 3809.401, including but not limited to the following:

- 1) As part of your description of operations please provide a list or description of all of the equipment and devices that will be used in your operations. Also provide a description of all ancillary facilities related to your mining operations: include all proposed facilities such as, but not limited to, structures (e.g. permanent, temporary, mobile, storage containers/tanks, administrative buildings, dry houses, fuel bays, maintenance shops, wash bays, scales), utility needs (e.g. power, natural gas, generators), sanitation needs (e.g. septic system, sewage ponds), communication needs (e.g. buildings, telephone antennas, towers), fencing, signs, stockpiles, landfill, trash disposal, lay down areas, etc.

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DIV. OF OIL, GAS & MINING

Also describe your plans for water supply pipelines, and power or utility services [§3809.401(b)(2)(viii)]. Utility lines should also be indicated on your map of proposed facilities.

- 2) As part of your description of operations, additional maps and figures of the proposed Kiewit-Open Pit mine are needed. A total of three additional maps are requested; one showing the pre-mining topography, one with the proposed mine layout (including waste rock and soil stockpiles), and one that shows the post-mining reclaimed topography. The maps should use the same scale and a USGS 7.5 minute quadrangle base so they can be easily referenced to the public land survey system. The maps presented in your Plan (Figures 5,6, and 7) use different scales on different bases and the outlines of the proposed disturbance are not consistent. You must also include cross-sections of the pre-mining, mining, and post-mining topography.
- 3) A rock characterization and handling plan [§3809.401(b)(2)(iv)]. This includes waste rock characterization data and treatment of potentially acid generating materials. The plan should describe how rock, that may require special handling due to its potential to generate acidic or deleterious leachate, is to be managed. The plan must include the analytical protocols and criteria that will be used to identify potential acidic or reactive rock. The plan must include how such material is to be: 1) identified by testing prior to and during mining, 2) selectively handled, 3) processed or treated, and 4) reclaimed.
- 4) A quality assurance plan [§3809.401(b)(2)(v)]. This should describe the programs, plans, and procedures for how you intend to ensure your mine facilities are constructed as designed. For example, these plans might include procedures and protocols for items such as compaction testing of foundation materials or seam testing of pond liners.
- 5) The Plan must include an Emergency Response Plan and Spill Contingency Plan [§3809.401(b)(2)(vi)]. For example, describe how you will respond to chemical and fuel spills, including containment and clean-up procedures, enhanced monitoring measures, and notification procedures to the appropriate regulatory agencies. Also describe what measures you will take to prevent spills.

Your plan should identify those persons or positions responsible for responding to spills or releases of regulated fluids/materials at the site. Chains of authority and responsibility should be clearly identified. You will be required to post the Emergency Response Plan on site.

- 6) You must provide a general schedule of operations from start through closure [§3809.401(b)(2)(vii)]. For example, provide a schedule of activities, including the date when you expect to begin and end operations, and the date when you expect to complete site reclamation. Also, please indicate the hours of the day you will be operating and the months of the year you will be operating.
- 7) In order to comply with the BLM 43 CFR 3715 regulations pertaining to use and occupancy under the mining law, the following information must be included in your proposed Plan of Operations, if your proposed use or occupancy of public lands exceeds 14-days in a 90-day period:

A written description of the proposed occupancy that describes in detail: (See 43 CFR 3715.3-2)

- (a) How the proposed occupancy is reasonably incident;
- (b) How the proposed occupancy meets the conditions specified in §3715.2 and §3715.2- 1;
- (c) Where you will place temporary or permanent structures for occupancy;
- (d) The location of and reason you need enclosures, fences, gates, and signs intended to exclude the general public;
- (e) The location of reasonable public passage or access routes through or around the area to adjacent public lands; and
- (f) The estimated period of use of the structures, enclosures, fences, gates and signs, as well as, the schedule for removal and reclamation when operations end.


You must provide BLM with a detailed map that identifies the site and the placement of the items specified in (c), (d), and (e) of this section.

- 8) A Monitoring Plan: A proposed plan for monitoring the effect of your operations. You must design monitoring plans to meet the following objectives: To demonstrate compliance with the approved plan of operations and other Federal or State environmental laws and regulations, to provide early detection of potential problems, and to supply information that will assist in directing corrective actions should they become necessary. Where applicable, you must include in monitoring plans details on the type and location of monitoring devices, sampling parameters and frequency, analytical methods, reporting procedures, and procedures to respond to adverse monitoring results. Monitoring plans may incorporate existing State or other Federal monitoring requirements to avoid duplication. Examples of monitoring programs which may be necessary include surface- and ground-water quality and quantity, air quality, revegetation, stability, noise levels, and wildlife mortality [§3809.401(b)(4)].
- 9) Interim Management Plan: A plan to manage the project area during periods of temporary and/or seasonal closure to prevent unnecessary or undue degradation. The interim management plan must include, where applicable, the following:
  - a) measures to stabilize excavations and workings;
  - b) measures to isolate or control toxic or deleterious materials (See also the requirements in §3809.420(b)(12)(vii) of the 43 CFR 3809 Regulations);
  - c) provisions for the storage or removal of equipment, supplies and structures;
  - d) measures to maintain the project area in a safe and clean condition;
  - e) plans for monitoring site conditions during periods of non-operation;
  - f) a schedule of anticipated periods of temporary closure during which you would implement the interim management plan, including provisions for notifying BLM and DOGM of unplanned or extended temporary closures; and
  - g) in cases of temporary or seasonal closure, you must provide adequate maintenance, monitoring, security, and financial guarantee, and BLM may require you to detoxification of process solutions.

- 10) In order to show that the proposed uses and activities will prevent or avoid unnecessary or undue degradation, you must show that they will conform to all applicable federal and state environmental standards by obtaining all required permits and authorizations and meeting the standards required by state and federal law.

If you have any questions, or require additional information, please contact Stephen Allen of my staff at (801) 977-4360.

Sincerely,



Michael G. Nelson  
Assistant Field Manager,  
Nonrenewable Resources

cc: Mr. O. Jay Gatten, North American Exploration, Inc. 447 North 300 West, Suite #3  
Kaysville, Utah 84037-4203

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